# Function: Process Internal Receivables

## OBJECTIVE:

To process the State's intragovernmental bills on the MFASIS accounting system

## SOURCE DOCUMENTS NEEDED:

- Internal seller's invoice
- Receivable input form

## PROCEDURES:

See User Procedure Section

## SYSTEM INPUT:

See System Input Section

## SCREENS TO BE USED:

- Receivable (RE)

## Function: Process Internal Receivables

# NARRATIVE

Receivables are used to record invoicing transactions between State agencies in the MFASIS Accounting System. Agencies will prepare an invoice document and forward it to the billed party. The billing agencies will also use the Receivable (RE) transaction to record accounts receivable and revenues generated by invoices to other agencies. The MFASIS Accounting System will track outstanding receivables and age them. The MFASIS Accounting System treats the billing transaction and the payment of the bill as two distinct events which do not need to occur at the same time. This allows billing agencies to record their accounts receivable and revenues without having to wait for the billed agency's approval to record expenses against its accounts.

The Customer Table (CUST) contains customer codes used to identify parties to be billed on an RE transaction. The customer codes identifying agencies to be used on RE transactions have been loaded into the CUST table. All agencies with data entry capability may add customers to the Customer Table.

### ACCOUNTING ACTIVITIES

Recognized revenue will be increased on the revenue budget (REVB) table. Ledger entries will be generated debiting accounts receivable and crediting revenue. (The RE transaction will debit the seller agency's accounts receivable and credit the seller agency's revenue in the general ledger.)

## Function: Process Internal Receivables

# FORMS

### A. RECEIVABLE FORM

## Function: Process Internal Receivables

# USER PROCEDURES

**ON-LINE AGENCIES**

**A. PROCESS INTERNAL RECEIVABLES**

| FREQUENCY TRIGGER | RESPONSIBLE UNIT/EMPLOYEE | PROCEDURES |
|---|---|---|
| 1. Provision of a service or merchandise to another agency. | Seller Agency | Collect billing information.<br>Prepare for processing:<br>a) complete a Receivable<br>b) attach proper supporting documents to the Receivable. |
| 2. Receipt of agency reviewed and authorized receivable | Seller Agency staff | Enter RE transaction data into the system. See the SYSTEM INPUT GUIDELINES section for data entry instructions.<br>If the customer is not on the customer table then follow the procedures in the MASTER TABLES section to have a customer added to the customer table.<br>Perform a quick edit on the transaction, approve it and put it on hold. |
| 3. The RE transaction has been entered into MFASIS.<br>**NOTE**: Steps 3 and 4 may be completed simultaneously if security for your agency has been established to allow the same person to enter and process final approval of the transaction. Please see | Seller Agency supervisor | Apply the agency level approval and schedule the transaction for off-line processing. |

| FREQUENCY TRIGGER | RESPONSIBLE UNIT/EMPLOYEE | PROCEDURES |
|---|---|---|
| your agency security coordinator to determine if this is the case. | | |
| 4. Receipt of Transaction Reject Report. | Seller Agency | Correct receivables rejected on overnight edits. |
| | Seller Agency personnel | Send a hard copy of all receivable transactions (and supporting documents) that were accepted by MFASIS to the debtor agency.<br>Retain a hard copy of the receivable for Agency records. |

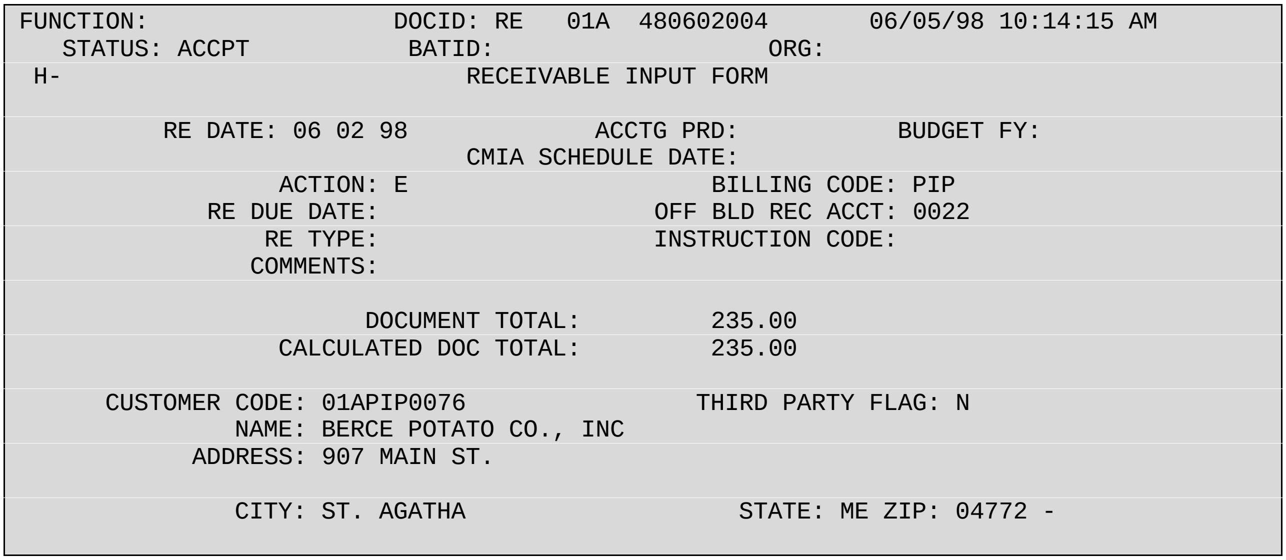
## OFF-LINE AGENCIES

### A. PROCESS INTERNAL BILLS

| FREQUENCY TRIGGER | RESPONSIBLE UNIT/EMPLOYEE | PROCEDURES |
|---|---|---|
| 1. Provision of a service or merchandise to another Agency. | Seller Agency | Collect billing information.<br>Prepare for processing:<br>a) complete a receivable (mandatory)<br>b) attach proper supporting documents to the receivable |
| 2. Receipt of correct, accurate, and agency authorized receivable | Seller Agency personnel | Forward the Receivable, and the supporting documents, to the Bureau of Accounts and Control. |
| 3. Receipt of RE documents. | BAC | Enter RE transaction data into the system. See the SYSTEM INPUT GUIDELINES section for data entry instructions.<br>If the customer is not on the customer table then follow the procedures in the MASTER TABLES section to have a customer added to the customer table. |

| FREQUENCY TRIGGER | RESPONSIBLE UNIT/EMPLOYEE | PROCEDURES |
|---|---|---|
| | | Perform a quick edit on the transaction.<br>Return any RE transactions which are rejected by the system to the agency. (This should occur rarely.)<br>Apply the agency level approvals and schedule the transaction for off-line processing. |
| 4. Receipt of Transaction Reject Report. | Seller Agency | Correct receivables rejected on overnight edits, and submit corrections to BAC.<br>Forward a hard copy of all approved RE transactions entered onto the system to the seller agency. |
| 5. Receipt of Receivables accepted by the system. | Seller Agency personnel | Send a hard copy of all receivables transactions (and supporting documents) that were accepted by MFASIS to the debtor agency.<br>Retain a hard copy of the receivable for Agency records. |

# RECEIVABLE (RE)



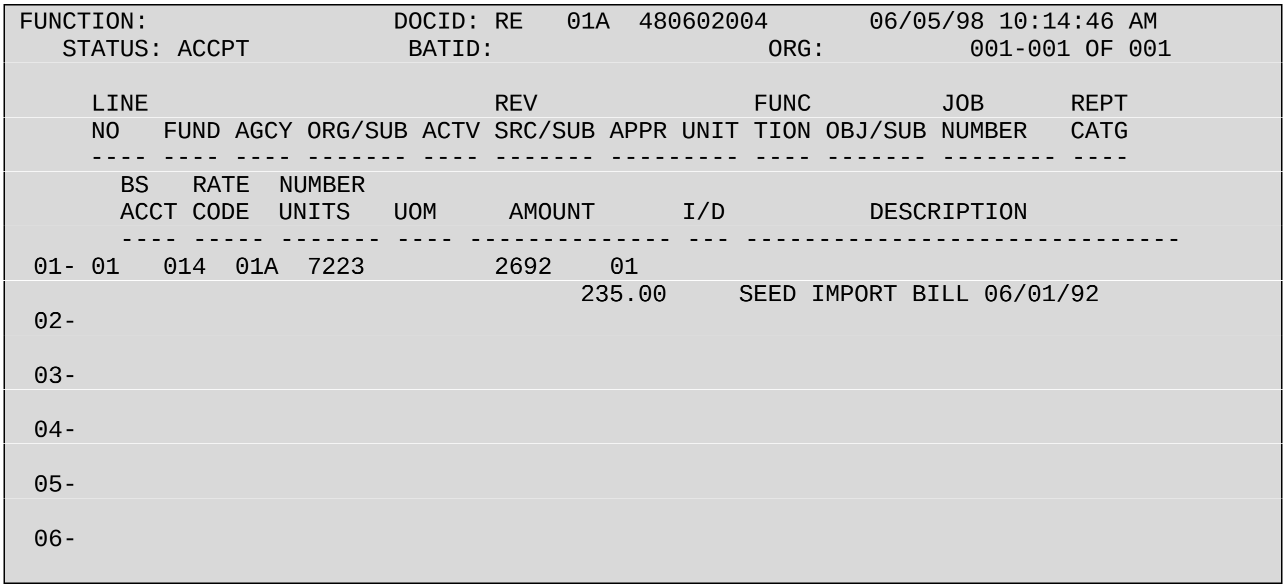
```
FUNCTION:                 DOCID: RE   01A  480602004       06/05/98 10:14:15 AM
   STATUS: ACCPT           BATID:                  ORG:
 H-                            RECEIVABLE INPUT FORM

          RE DATE: 06 02 98             ACCTG PRD:           BUDGET FY:
                               CMIA SCHEDULE DATE:
                  ACTION: E                     BILLING CODE: PIP
             RE DUE DATE:                   OFF BLD REC ACCT: 0022
                 RE TYPE:                   INSTRUCTION CODE:
                COMMENTS:

                        DOCUMENT TOTAL:         235.00
                  CALCULATED DOC TOTAL:         235.00

      CUSTOMER CODE: 01APIP0076                THIRD PARTY FLAG: N
               NAME: BERCE POTATO CO., INC
            ADDRESS: 907 MAIN ST.

               CITY: ST. AGATHA                   STATE: ME ZIP: 04772 -
```



```
FUNCTION:                 DOCID: RE   01A  480602004       06/05/98 10:14:46 AM
   STATUS: ACCPT           BATID:                  ORG:          001-001 OF 001

     LINE                        REV               FUNC         JOB      REPT
     NO   FUND AGCY ORG/SUB ACTV SRC/SUB APPR UNIT TION OBJ/SUB NUMBER   CATG
     ---- ---- ---- ------- ---- ------- --------- ---- ------- -------- ----
       BS   RATE  NUMBER
       ACCT CODE  UNITS   UOM     AMOUNT      I/D         DESCRIPTION
       ---- ----- ------- ---- ------------- --- -----------------------------
 01- 01   014  01A  7223         2692    01
                                       235.00     SEED IMPORT BILL 06/01/92
 02-

 03-

 04-

 05-

 06-
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The Receivable (RE) document bills customers for the goods or services they have received. It can post either to a revenue account or, in case of reimbursements, to an expenditure account.

| Field | Description |
|---|---|
| Date of Record | Defaults to the current date. Enter the date (*mm dd yy*) of the receivable event. |
| Accounting Period | Default is inferred based on **Date of Record**. If entered, ensure that it is open. You cannot enter a future period. |
| Budget FY | Default is current fiscal year. If entered, ensure that it is open. You cannot enter a future fiscal year. |
| CMIA Schedule Date | Display only. The date that represents when the transaction should be processed according to the CMIA drawdown schedule. This field is only used for documents generated by the CMIA Drawdown Generation Process (CMDG). |
| New/ Modification/ Cancellation [Action] | Optional. Valid values are:<br>***New [E]***<br>Indicates a new document. Blank defaults to ***New [E]*** for new entry.<br>***Modification [M]***<br>Modification of a previously entered document. This allows the addition of new lines, increases/ decreases to existing line amounts or canceling of a line. (You must use a Receivable Credit Memo (RM) document to decrease the document total.)<br>***Cancellation [X]***<br>Allows you to cancel an existing document. If you want to cancel an existing document, the document cannot have been referenced in any way. For example, you cannot cancel a receivable that is referenced by a Cash Receipt (CR) document. |
| Billing Code | Defaults from Customer Information (CUS2) if a billing code is entered there. Required if no billing date is entered on Customer Information (CUS2). Enter the code that identifies the billing profile for invoice or statement generation. See Billing Profile (BPRO) for valid values. |
| RE Due Date | Optional. Date on which payment for the receivable is due. Enter this field (*mm dd yy*) only if **Billing Code** specifies invoice processing. If blank and the billing code specifies invoices, it defaults to:<br>Receivable Date + **Receivable Due Date Lag** (from Billing Profile (BPRO) or Revenue Options (ROPT))<br>If blank and **Billing Code** specifies statements or both invoices and statements, it defaults to:<br>Next statement date (based on the statement day) + **Receivable Due Date Lag** (from Billing Profile (BPRO) or Revenue Options (ROPT)) |
| Offset Billed Receivable Account | Protected. Inferred from **Intragovernmental Billed Receivable Account** on System Special Accounts (SPEC) if **RE Type** is ***G***. Inferred from **Billed Receivable Account** on System Special Accounts (SPEC) if **RE Type** is not ***G***. This is the offset billed receivables account for all of the receivable lines. |

| | |
|---|---|
| RE Type | Optional. Enter the type of receivable document.<br>***G*** The receivable is an intragovernmental receivable (billing another State agency).<br>***S*** The receivable is a summary receivable and not for billing to customers.<br>***I*** Receivable contains only interest lines. All lines must contain the interest revenue source from Revenue Options (ROPT). (Modifying receivables only.)<br>***L*** Receivable contains only late fee lines. All lines must contain the late fee revenue source from Revenue Options (ROPT). (Modifying receivables only.) |
| Instruction Code | Optional. Defaults to **Instruction Code** on Billing Profile (BPRO) for billing codes which specify invoices. Enter the code used to specify that special instructions are printed on an invoice. For statements, do not enter this field; it defaults from Billing Profile (BPRO) when the statement is generated. |
| Comments | Optional. Enter a description of the document. Comments are used as transaction descriptions on customer statements. |
| Document Total | Required. Enter the unsigned net amount of all lines entered on the document. To compute this amount for modification documents:<br>1. Add together the increase amounts.<br>2. Add together the decrease amounts.<br>3. Subtract the lesser of these from the greater and enter this amount. |
| Calculated Total | The net total of the line amounts is computed by the system and displayed. |
| Customer Code | Required. Enter the customer who is billed. See Customer Information (CUS2) for valid values. |
| Third Party | Protected. Initialized to selected [***Y***] if a third party is defined on Customer Information (CUST) for the entered **Customer Code**. If selected [***Y***], the invoice generated is sent to the third party by inferring the name and address from Third Party Billing (TPAR) rather than Customer Information (CUS2). |
| Name | Conditional. Required if the **RE Type** is not ***S*** (summary). If the customer is not miscellaneous, the name is inferred from either Customer Information (CUS2) or Third Party Billing (TPAR) and cannot be changed. |
| Address, City, State, Zip | Conditional. Required if the **RE Type** is not ***S*** (summary). If the customer is not miscellaneous, the address is inferred from either Customer Information (CUS2) or Third Party Billing (TPAR) and cannot be changed. |

| ***Line Information*** | |
|---|---|
| Line Number | Required. Enter a unique, two-digit number for each document line. |
| Fund | Required. Default is inferred from Organization (ORG2) based on the agency and organization entered on this document. See Fund Index (FUND) for valid values. |
| Agency | Conditional. Required on all revenue and expenditure transactions. Enter the agency for which the revenue was earned. See Agency Index (AGCY) and Fund Agency Index (FAGY) for valid values. |
| Org/Sub | Conditional. Required on all revenue and expenditure transactions. Enter the organization for which the revenue was earned. See Organization Index (ORGN) for valid values.<br>**Sub-Organization** is required on revenue transactions if **Sub-Organization Required on Revenue** is ***Required [Y]*** for a new document on Organization (ORG2); or on expenditure transactions if **Sub-Organization Required on Spending** is: ***Required [Y]***, or ***Required on Expenditure Transactions [3]***. See Sub-Organization (SORG) for valid values. |
| Activity | Optional. Used for reporting purposes only. See Activity Index (ACTV) for valid values. |
| Rev Source/Sub | Conditional. Required on all revenue transactions. Enter the revenue source that defines the type of revenue recorded on this line. See Revenue Source Index (RSRC) for valid values. **Sub-Revenue** is required if **Sub-Revenue Source Required** on Revenue Source (RSR2) is ***Yes [Y]***. See Sub-Revenue Source (SREV) for valid values. |
| Appropriation Unit | Required if **Appropriation Control Option** on Fund Index (FUND) is ***C*** (full control) or ***P*** (presence control). Revenue transactions require a two digit appropriation unit. Expenditure transactions require a three digit appropriation unit. See Appropriation Index (EAPP) for valid values. |
| Function | Optional. See Function (FUNC) for valid values. |
| Object/Sub | Conditional. Required on reimbursement transactions only. Leave blank otherwise. See Object Index (OBJT) for valid values. Leave blank if **Object** is not entered. See Sub-Object (SOBJ) for valid values. |
| Job Number | Optional. Enter the project number associated with this receivable line. See Agency Project Inquiry (AGPR) for valid values. |
| Reporting Category | Conditional. Required on revenue transactions if **Reporting Category Required on Revenue Transaction** is ***Yes [Y]*** on Agency (AGC2). Required on expenditure transactions if **Reporting Category** on Agency (AGC2) is:<br>***Required on Pre-encumbrance Transactions [1],***<br>***Required on Encumbrance Transactions [2], or***<br>***Required on Expenditure Transactions [3].*** |

| | |
|---|---|
| | See Reporting Category (RPTG) or Federal Aid Inference (FAIT) for valid values. |
| BS Account | Conditional. Required on balance sheet transactions; leave blank on revenue and expenditure transactions. See Balance Sheet Account Index (BACC) for valid values. |
| Rate Code | Conditional. Required if **Amount** is blank. Enter the code used to define the billing rate per unit of measure. See Billing Rate (BRTE) for valid values. |
| Number of Units | Conditional. Required if **Rate Code** is entered. Enter the number of units consumed by the customer. |
| Unit of Measure | Conditional. Required if **Rate Code** is entered. Enter the unit of measure of the goods consumed by the customer. If **Rate Code** is entered, this field is inferred from Billing Rate (BRTE). |
| Amount | Conditional. Required if either **Rate Code** or **Number of Units** is not entered. This is the dollar amount of the items described on the line. You can enter this manually, or let the system compute it as:<br>Billing rate (based on **Rate Code**) * **Number of Units**.<br>If this is a modification of a previous line, enter the amount of the increase or decrease here. The decimal point is optional, but you must enter two decimal places for cents. **Increase/Decrease** indicates whether this field is added or subtracted from the original amount. |
| Inc/Dec | Defaults to ***Default [blank]***. Valid values on a modification transaction are ***Increase [I]*** or ***Decrease [D]***. Valid values on a new transaction are ***Default [blank]*** or ***Increase [I]***. |
| Description | Optional. Enter any additional information about a line here. |